

**OFFICE OF ATTORNEY GENERAL****INSURANCE FRAUD SECTION**  
**TOM CORBETT • ATTORNEY GENERAL**  
**NEWSLETTER****OWNER GIVE-UP SCAMS**

On June 24, 2009, David Willis was arrested in Delaware County. According to the Criminal Complaint, Willis reported his vehicle stolen to the police and submitted a claim to the Erie Insurance Company. The Complaint stated that Willis' vehicle and keys were recovered inside a container on board a ship set to sail to Nigeria. It is alleged that Willis arranged to have his vehicle stolen and then falsely reported the theft to the police. Willis allegedly handed his keys to the individual who was to get rid of the vehicle for him. David Willis was charged with one count of Insurance Fraud, Theft and False Reports.



On June 25, 2009, Jerry Newman was arrested in Berks County. According to the Criminal Complaint, Newman reported his vehicle stolen to the police and submitted a claim to the Travelers Insurance Company. The Complaint stated that Newman's vehicle and keys were recovered inside a container on board a ship set to sail to Liberia. It is alleged that Newman arranged to have his vehicle stolen and then falsely reported the theft to the police. Jerry Newman was charged with one count of Insurance Fraud, Theft and False Reports.



On June 26, 2009, Nicki Butts was arrested in Delaware County. According to the Criminal Complaint, Butts reported her vehicle stolen to the police and submitted a claim to the State Farm Insurance Company. The Complaint stated that Butts' vehicle and keys were recovered inside a container on board a ship set to sail to Liberia. It is alleged that Butts arranged to have her vehicle stolen and then falsely reported the theft to the police. Butts allegedly handed her keys to the individual who would get rid of the vehicle for her. Nicki Butts was charged with one count of Insurance Fraud, Criminal Attempt/Theft and False Reports.



On June 26, 2009, Phalith Louanphom was arrested in Delaware County. According to the Criminal Complaint, Louanphom reported his vehicle stolen to the police and submitted a claim to the Progressive Insurance Company. The Complaint stated that Louanphom's vehicle and keys were recovered inside a container on board a ship set to sail to Nigeria. It is alleged Louanphom arranged to have his vehicle stolen and then falsely reported the theft to the police. Louanphom allegedly agreed to leave his keys in the vehicle and then certain individuals would get rid of the vehicle. Phalith Louanphom has been charged with one count of Insurance Fraud, Theft and False Reports.



- On June 15, 2009, Tamara Schory was arrested in Cumberland County. According to the Criminal Complaint, a passenger van carrying eight employees of REM Staffing, a temporary employee staffing company, was involved in a two-vehicle accident resulting in the deaths of two of the employees. The vehicle was insured by a commercial automobile policy with the Progressive Insurance Company through the Christian-Baker Company, an insurance agency. The policy was cancelled by Progressive on May 2, 2007, for non-payment. The Complaint further stated that a week later, a REM employee appeared at Christian-Baker and attempted to reinstate the policy. The employee, along with Schory, an insurance agent with the Christian-Baker Company, contacted Progressive and was informed that the policy could only be reinstated by the registered owner. The Complaint further stated that on June 20, 2007, forty minutes after the fatal accident, the REM employee again appeared at Christian-Baker and attempted to have the commercial automobile policy reinstated and, with the assistance of Schory, gave a recorded telephone interview with Progressive, representing himself as the registered owner of the vehicle. According to the Criminal Complaint, Schory knew the employee was not the registered owner of the vehicle. Subsequently, Progressive received claims from the representatives of the deceased employees and the driver of the other vehicle involved in the accident. Tamara Schory has been charged with one count of Insurance Fraud (M1).
- On June 18, 2009, Katinna Karns was arrested in Somerset County. According to the Criminal Complaint, Karns had a disability policy through the Combined Insurance Company. Karns was involved in a motor vehicle accident and received benefits immediately thereafter for her injuries. The Complaint stated that approximately two years later, Karns submitted a second claim for entitlement to benefits for disability that resulted from breast reduction surgery that was a result of

the back injury sustained in the accident. In support of her claim, Karns provided a document, purportedly signed by Dr. Michael White, verifying the need for her surgery. It is alleged that Dr. White did not sign the form and did not verify Karns' disability as he had not seen her since roughly seven months prior to her filing the second claim. Katinna Karns has been charged with one count of Insurance Fraud (F3), one count of Criminal Attempt/Theft by Deception (F3) and two counts of Forgery (M1).

- On June 29, 2009, Cayetano Perez-Diaz was arrested in Lackawanna County. According to the Criminal Complaint, Perez-Diaz was injured in a work related accident and began receiving Temporary Total Disability payments. Perez-Diaz received a series of twenty three disability checks during the period of September 9, 2007 thru July 10, 2008, totaling in excess of \$14,000 from the State Workers Insurance Fund (SWIF). It is alleged that during that same time period, Perez-Diaz was working at Dunbar's Evergreen Landscaping, earning in excess of \$20,000. Additionally, in support of his claim, Perez-Diaz allegedly signed a verification form sent by SWIF stating that he was not working. Cayetano Perez-Diaz has been charged with one count of Workers' Compensation Insurance Fraud (F3) and one count of Theft by Deception (F3).
- On June 30, 2009, Prince Nkrumah was arrested in York County. According to the Criminal Complaint, Nkrumah filed a third party insurance claim for \$25,000 with the Geico Insurance Company for injuries and related loss of work he sustained as a result of an accident in November 2006, while driving a vehicle registered to another individual. Nkrumah signed an affidavit of no insurance stating he did not have automobile insurance at the time of the accident. It is alleged that Nkrumah had an automobile insurance policy with the Progressive Insurance Company with first party benefits. Additionally, the Complaint stated Nkrumah filed a claim for \$12,398.28 with the Allstate Insurance Company in April of 2008, stating that his Land Cruiser was stolen. Nkrumah further stated that the vehicle was in excellent condition, was locked



and the alarm was set at the time of the theft. It is alleged that the vehicle was found in Maryland the morning prior to the reported theft and that it showed recent body damage. Prince Nkrumah has been charged with two

counts of Insurance Fraud (F3), two counts of Criminal Attempt/Theft (F3) and one count of False Reports (M3).

- On June 19, 2009, Paul Barone was arrested in Lancaster County. According to the Criminal Complaint, Barone added comprehensive coverage on his automobile insurance policy with the Progressive Insurance Company for his Cadillac Deville. Barone then filed a claim with Progressive stating that as a result of a storm, a tree limb fell and damaged his car. It is alleged that the storm and car damage occurred prior to Barone adding comprehensive coverage to his policy. Paul Barone has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft (M1).
- On June 25, 2009, Donna Carifi was arrested in Berks County. According to the Criminal Complaint, Carifi had a homeowners' policy with the Allstate Insurance Company. On July 26, 2007, Carifi filed a claim with Allstate for a burglary she claimed occurred on July 25, 2007. The Complaint stated that Carifi claimed a number of items were taken, including specific pieces of jewelry and a laptop computer. In support of the claim, Carifi submitted a customer history from Jewelry TV and highlighted the items she claimed were stolen during the burglary. It is alleged that Carifi returned many of the items listed on the customer history documentation prior to the date of the alleged burglary. Donna Carifi has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft (M1).
- On June 29, 2009, Jamie Brunner was arrested in Lebanon County. According to the Criminal Complaint, Brunner filed a claim with the Progressive Insurance Company on November 28, 2008, and reported she struck

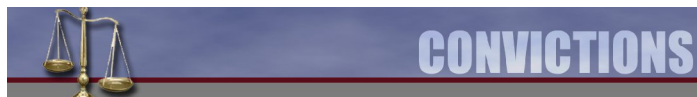
a deer with her Chevrolet Beretta on Thanksgiving Day. The Complaint stated that Brunner reported the same deer-strike accident on October 23, 2008, and was informed that the damage would not be covered under her liability-only policy. It is alleged that Brunner added the comprehensive coverage to her automobile policy the next day and then misrepresented the date of the accident in an attempt to get Progressive to cover the damage. Jamie Brunner has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft (M1).

- On June 3, 2009, Chaka Hall was arrested in Allegheny County. According to the Criminal Complaint, Hall filed a claim with the Allstate Insurance Company in July 2007, and obtained benefits for damage to her garage ceiling which resulted from a kitchen water leak. The Complaint further stated that in January 2008, Hall filed another claim with Allstate and reported that after the garage ceiling was repaired, another water leak damaged the ceiling again. It is alleged that the ceiling was never repaired after the first leak and Hall was seeking a second round of benefits based on the same original damage. Chaka Hall has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft (M1).
- On June 24, 2009, Christian Vittone and Michael Miller were arrested in Westmoreland County. According to the Criminal Complaint, Vittone is a medical doctor practicing in Westmoreland County, and Miller was a patient of Dr. Vittone. The Complaint stated that beginning in 2005, Dr. Vittone wrote scripts under the names of his girlfriend and ex-wife without their knowledge or consent, went to the pharmacies and obtained the pills. Various scripts written under his girlfriend and ex-wife were processed and paid by their insurance, Highmark and Caremark. Additionally, the Complaint stated that in 2006, Dr. Vittone began prescribing Oxycodone, Diazepam and Lorazepam, all controlled substances, to Miller. Miller subsequently needed stronger or a larger quantity of pills and between 2006 and 2008, Miller and Dr. Vittone allegedly conspired to obtain more pills by writing and

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passing scripts in the names of two of Miller's family members and two of Miller's employees. Allegedly, Miller obtained the scripts from Dr. Vittone, then he or his employees would pass the scripts at pharmacies and then returned many of the pills to Dr. Vittone. It is alleged that Miller utilized his mother's insurance, Caremark, to pay for prescriptions that were passed under her name. Christian Vittone has been charged with eleven counts of Drug Act Violations (F), four counts of Insurance Fraud (F3) and one count of Conspiracy (F). Michael Miller has been charged with four counts of Drug Act Violations (F), one count of Insurance Fraud (F3) and one count of Conspiracy (F).

- On June 25, 2009, Christian Kehler was arrested in Northumberland County. According to the Criminal Complaint, Kehler reported to the Allstate Insurance Company that he struck a deer with his Ford Ranger on November 17, 2008, and that he was not injured, but that the airbags were laying on him after the accident. The Complaint stated that the vehicle was towed from the scene to an auto body shop. The Complaint further stated that the owner of the auto body shop found pre-existing damage in the engine compartment and that the driver's side airbag had previously deployed and had been folded back into the steering wheel housing and secured with duct tape. Furthermore, the owner stated that Kehler allegedly informed him that the airbag did not deploy as a result of the accident but requested that he tell Allstate that it did in order to have it replaced. It is alleged that the Ranger had been involved in a previous accident by a former owner which resulted in the airbags deployment and were not replaced. Christian Kehler has been charged with one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft (M1).



- On June 30, 2009, Bryan McGraw was found guilty of 1086 counts of Failure to Carry Workers' Compensation Insurance (M3), one count of Unsworn Falsification (M2) and one

count of Insurance Fraud (M1) and Pro Guard Security, Inc. was found guilty of 1086 counts of Failure to Carry Workers' Compensation Insurance (F3 & M3) in a trial before Judge Susan Schulman in Philadelphia County. McGraw and another individual were co-owners of Pro Guard Security, Inc., a company that provided security guards for businesses in the Philadelphia area. Our investigation revealed that beginning July 24, 2004, Pro Guard operated without the required Workers' Compensation coverage. Our investigation also revealed that Bryan McGraw submitted a forged document attempting to show that Pro Guard had insurance. Bryan McGraw was sentenced to serve 3 to 6 months house arrest, consecutive 2 years probation and ordered to pay restitution of \$25,000 joint and several and all court costs and Pro Guard was ordered to pay restitution of \$25,000 joint and several.

- Ian Rosenberg pled guilty to one count of Insurance Fraud (F3) in Pike County. On December 15, 2007, Rosenberg's vehicle was involved in a one-vehicle accident in a gated community in the Poconos. At the time of the accident, the vehicle was not insured and had sustained significant damage making it unable to be driven. A public safety officer from the community responded to the scene, prepared an incident report and the vehicle was towed from the scene. On December 20, 2007, Rosenberg obtained a policy for his vehicle from the Progressive Insurance Company and on the 26th, submitted a claim for the damage to the vehicle. Our investigation revealed that Rosenberg misrepresented the date of the accident to Progressive and submitted an altered incident report from the Hemlock Farms Public Safety Department, where he was employed, in support of his claim. On June 4, 2009, Ian Rosenberg was sentenced to serve 1 to 2 years incarceration and ordered to pay a fine of \$200 and all court costs.
- Kevin Brodowski pled guilty to one count of Insurance Fraud (F3), one count of Criminal Attempt/Theft (M1) and one count of Driving With Suspended License (S) in Montgomery County. Brodowski was listed as an excluded driver on the auto policy for his own



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company's truck due to multiple DUI and Driving With Suspended License convictions. After the truck was involved in an accident, Brodowski reported to the Progressive Insurance Company that the truck was being driven by an employee at the time of the accident. Our investigation revealed that Brodowski was driving the truck. On June 8,



2009, Kevin Brodowski was sentenced to serve 11 ½ to 23 months incarceration, 5 years probation and ordered to pay a fine of \$500 and all court costs.

- Martin Greene pled guilty to one count of Theft (F3) and one count of Conspiracy (F3) in Montgomery County. Greene, while employed as a claims adjuster for GE Property and Casualty Insurance Company made entries into GE's computer requesting that checks be issued in the name of a friend, and on one occasion, in the name of his friend's son. Greene falsely entered these checks in the computer system as being payments on claims arising from auto accidents involving GE policyholders. In all, twenty-seven checks were issued, totaling \$48,300.37. On June 9, 2009, Martin Greene was sentenced to serve 8 to 23 months incarceration, 3 years probation and ordered to pay restitution of \$48,300 joint and several, and all court costs.
- Susan Davids pled guilty to one count of Theft (F3) in Bucks County. Starting in September of 2002, Davids obtained disability benefits from the American Fidelity Assurance Group. Our investigation revealed that sometime after June of 2004, Davids resumed work, but by repeatedly denying that employment, she fraudulently obtained benefits through July of 2007. On June 22, 2009, Susan Davids was sentenced to serve 6 to 18 months incarceration and 5 years probation and ordered to pay restitution of \$58,000 and all court costs.
- Michael Hawkins pled guilty to one count of Insurance Fraud (F3) and one count of Conspiracy (F3) in Chester County. A car

belonging to a co-defendant and insured by Allstate Insurance Company was involved in a minor accident with another car also insured by Allstate. Allstate received claims and Hawkins testified that he and the co-defendant were injured as a result of this accident and that Hawkins was a passenger. As a result, Allstate paid \$10,000 in medical benefits. Our investigation revealed that Hawkins was driving the car and that the co-defendant was not even in the car. On June 2, 2009, Michael Hawkins was sentenced to serve 166 days to 23 months incarceration and ordered to pay restitution of \$10,000 joint and several, and all court costs.

- Taom Boulware pled guilty to one count of Insurance Fraud (F3) in Philadelphia County. On August 31, 2003, a casino tour bus, insured by Lancer Insurance Company, was struck by a hit and run driver in Philadelphia. The impact was slight and the damage to the bus minimal, but several passengers claimed they were injured and were transported to the hospital. After receiving numerous claims, Lancer paid medical bills for and bodily injury payments to several claimants. Investigation revealed, however, that a number of the claimants were aware that the bus was going to be hit and had purchased tickets in order to be in the accident, others simply faked injuries, and that some were not even on the bus. On June 29, 2009, Taom Boulware was sentenced to serve 5 ½ to 11 months incarceration, 5 years probation and ordered to pay a fine of \$1,500 and all court costs.
- Robert Neubert and Neubert's Electric, Inc. pled guilty to one count of Failure to Carry Workers' Compensation Insurance (F3) in Bucks County. Neubert is the owner of Neubert Electric, Inc. After an employee was electrocuted while working and suffered burns on one of his arms, he incurred \$2,584.57 in medical bills and lost wages of \$4,078.12. Our investigation revealed that Neubert's Electric did not have the required Workers' Compensation Insurance. On June 15, 2009, Robert Neubert was sentenced to serve 4 days to 1 year incarceration and ordered to pay restitution of \$6,662.69, a fine of \$1,000 and all court costs. Neubert's Electric, Inc.

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was ordered to pay all court costs.

- Cheryl Moyer pled guilty to one count of Insurance Fraud (F3) in Allegheny County. Moyer, after being medically cleared to return to work, forged and submitted four forms to the State Farm Insurance Company that purported to document that her total disability was continuing. As a result, Moyer collected \$13,649.36 in disability benefits to



which she was not entitled. On June 3, 2009, Cheryl Moyer was sentenced to serve 7 years probation and ordered to pay \$13,649.36 restitution and all court costs.

- Padraic O'Neill pled guilty to one count of Insurance Fraud (F3) in Chester County. O'Neill, filed a claim with the State Farm Insurance Company stating that he damaged his automobile when he inadvertently drove into a cable that was blocking an exit at his apartment. Our investigation revealed that O'Neill intentionally drove his automobile through a locked gate. On June 16, 2009, Padraic O'Neill was sentenced to serve 3 years probation, ordered to perform 100 hours of community service, and pay a fine of \$1,000, restitution of \$10,737 and all court costs.
- Michael Taris pled guilty to one count of Insurance Fraud (F3) in Bucks County. Taris, filed a fraudulent injury claim with the 7-Eleven Corporation stating that he was unable to work due to injuring his back, neck and legs as a result of slipping on a puddle of coffee in a 7-Eleven located in Levittown, Pennsylvania. Our investigation revealed that Taris staged this slip and fall accident and that he was also working as a professional wrestler and for a male escorting service. On June 15, 2009, Michael Taris was sentenced to serve 3 years probation, ordered to perform 100 hours of community service and to pay a fine of \$500 and all court costs.
- Roger Henry pled guilty to one count of Theft (M1) and one count of Unsworn Falsification (M2) in Adams County. Henry provided a fraudulent receipt to a home owner, which

indicated that Henry repaired the floor and window sill for the home owner when he never completed the work. On June 2, 2009, Roger Henry was sentenced to serve 3 years probation, ordered to perform 100 hours of community service and to pay a fine of \$500 and all court costs.

- Jay Dino pled guilty to one count of Criminal Attempt/Theft (M1) in Cambria County. Dino owned residential property which he insured through the Motorists Insurance Company. The tenant moved out in 2005 and the property remained vacant. In May 2007, the rental property was destroyed by fire. Dino offered the former tenant \$2,000 to execute an affidavit stating that he resided in the rental property until April 2007 which he then submitted to Motorists in support of his claim for \$95,801. Our investigation revealed that the rental property would only be covered if the property was occupied within sixty days of the fire. On June 12, 2009, Jay Dino was sentenced to serve 1 year probation, ordered to perform 100 hours community service and to pay a fine of \$2,700 and all court costs.
- Francis O'Brien was found guilty on one count of Insurance Fraud (F3) and one count of Criminal Attempt/Theft (F3) in a trial before Judge Edward Guido in Cumberland County. O'Brien submitted a motor vehicle accident claim to the Progressive Insurance Company and misrepresented the time of the accident in order to make Progressive believe that it occurred after his policy had become effective. Our investigation revealed that the accident had actually occurred earlier, when O'Brien had no insurance due to a policy lapse. On June 16, 2009, Francis O'Brien, Jr., was sentenced to serve 23 months probation and ordered to pay a fine of \$1,000 and all court costs.

#### (ARD) DISPOSITIONS

During the month of June, one additional defendant received Accelerated Rehabilitative Disposition (ARD). Defendants receiving ARD are typically sentenced to serve 2 years probation and ordered to perform 50 hours of community service, pay full restitution and all ARD and court costs.